

# COALITION FOR COURT ACCESS INDIANA'S LEGAL AID ORGANIZATIONS ECONOMIC IMPACT ANALYSIS

## EXECUTIVE SUMMARY for FISCAL YEAR 2017

In May 2018 the Coalition for Court Access (CCA) commissioned a study of the economic return on investment of Indiana's civil legal aid services. The CCA hired Community Services Analysis, LLC a leading provider of economic impact analyses in the United States. Since 2007, Community Services Analysis has completed over 150 cost/benefit return on economic investment studies for legal aid, social and human service, and government agencies. Using an established and standardized analysis, Community Services Analysis has identified a "Social Return on Investment" as the ratio of money gained or lost relative to the money invested.

The civil legal aid organizations in Indiana that participated in this analysis are listed below. The organizations included in this report encompass approximately 97% of the legal aid services provided in Indiana.

### **Participating Civil Legal Aid Providers:**

Indiana Legal Services

Neighborhood Christian Legal Clinic

Indianapolis Legal Aid Society

Northwest Indiana Volunteer Attorneys (Pro Bono District A)

The Volunteer Lawyer Network, Inc. (Pro Bono District B)

Volunteer Lawyer Program of Northeast Indiana, Inc. (Pro Bono District C)

District 10 Pro Bono Project, Inc. (Pro Bono District H)

Legal Aid District 11, Inc. (Pro Bono District I)

Volunteer Lawyer Program of Southwestern Indiana, Inc. (Pro Bono District K)

Southern Indiana Pro Bono Referrals, Inc. (Pro Bono District L)

Legal Aid Society of Evansville, Inc.

Hammond Legal Aid Clinic

## HIGHLIGHTS OF INDIANA’S LEGAL AID PROVIDERS SOCIAL RETURN ON INVESTMENT ANALYSIS RESULTS

<b>TOTAL NUMBER OF SERVICES PROVIDED IN INDIANA DURING FISCAL YEAR 2017</b>	<b>19,353</b>
<b>IMMEDIATE NET DIRECT VALUE OF SERVICES</b>	<b>\$12,695,000</b>
<i>The direct value of Legal Aid services is the fair market replacement cost value of those service (what it would cost the members of the community to replace the services if the Legal Aid organization did not exist, plus the actual dollar amount of legal settlements and court awards.</i>	
<b>LONG-TERM NET CONSEQUENTIAL VALUE</b>	<b>\$83,796,000</b>
<i>The long-term impacts of Legal Aid services are the consequential financial impacts to the community resulting from the outcomes of the legal aid services. These consequential benefits include savings in community supports costs, reductions in community medical care expenses, additional community income and taxation revenues from benefit programs, savings in housing and support costs for homeless families, and savings in community law enforcement, court systems, and other government agency costs.</i>	
<b>TOTAL NET VALUE OF SERVICES</b>	<b>\$96,491,000</b>
<b>TOTAL TAX-BASED FUNDING FOR INDIANA CIVIL LEGAL AID OPERATIONS</b>	<b>\$11,600,000</b>
<b>SOCIAL IMPACT RETURN ON INVESTMENT</b>	<b>670%</b>
<b>For every \$1 invested in Indiana Legal Aid during the year, the citizens of Indiana receive \$6.70 of immediate and long-term financial benefits.</b>	

*According to Community Services Analysis, Indiana’s results put our state in the top third of U.S. legal aid groups they have studied in terms of Social Return on Investment value delivered. This statement is based on their analysis of 11 different states (with approximately 160 legal aid organizations participating).*

The Social Return on Investment analysis completed for Indiana's legal aid organizations is a measurement of the values delivered during the fiscal year 2017. These values are based on the number of clients and the types of legal matters handled during this period.

The Social Return on Investment value varies between the different legal aid organizations based on the number of matters, the types of legal issues, the long-term outcomes achieved in these matters, and the amount of time donated by volunteer lawyers to each organization.

The Social Return on Investment for Indiana's legal aid organizations is higher than comparative values for many other types of social service organizations based on two primary factors:

Many types of civil legal services delivered result in significant future cost savings or additional income to the State of Indiana. These long-term values include (among many others):

- Multiple year income from Social Security and/or Disability benefits that were previously denied, terminated, or reduced;
- Long-term savings on children's medical and other support costs resulting from child support payments that were previously not obtained;
- Obtaining unemployment compensation benefits that had previously been unfairly denied;
- Significant savings on costs for emergency housing and family assistance resulting from enforcement of landlord/tenant law;
- Cost savings and benefits resulting from other legal aid services available to qualified low-income individuals and families.

*Another significant reason for the high value of Indiana's Legal Aid Social Return on Investment is the number of volunteer ("pro bono") hours of legal services delivered by attorneys in Indiana.*

**These pro bono services would be less available and less efficient if not for the operations of the legal aid organizations.**

**Indiana's civil legal aid organizations provide the necessary infrastructure, including attorney recruitment, training, and recognition, client screening, administrative support, technical assistance, and follow-up services for clients and pro bono volunteers.**

**Indiana's civil legal aid organizations provide services in over 100 types of civil legal problems. Their major areas of services are:**

**Family Issues:**

Matters involving domestic violence, divorce, separation and annulment, child custody and visitation, guardianship, and adoption.

During 2017 Indiana's civil legal aid services provided assistance in 7,408 legal matters resulting in \$4,914,000 in immediate direct financial benefits and \$53,322,000 in long-term consequential financial benefits.

**Housing Issues:**

Matters involving loss of housing due to foreclosure, eviction from subsidized or private housing, public housing issues, private landlord/tenant problems, and sub-standard housing conditions.

During 2017 Indiana's civil legal aid services provided assistance in 2,284 legal matters resulting in \$1,097,000 in immediate direct financial benefits and \$8,398,000 in long-term consequential financial benefits.

**Health Care Issues:**

Matters involving Medicaid, Medicare, private health insurance, long-term health care facilities, home and community-based care, state and local health care, and other health issues.

During 2017 Indiana's civil legal aid services provided assistance in 50 legal matters resulting in \$28,000 in immediate direct financial benefits and \$242,000 in long-term consequential financial benefits.

**Public Benefits Issues:**

Matters involving public programs such as Social Security benefits, Medicare and Medicaid, food stamps, temporary assistance for needy families, and unemployment compensation.

During 2017 Indiana's civil legal aid services closed 729 legal matters resulting in \$418,000 in immediate direct financial benefits and \$3,800,000 in long-term consequential benefits.

### **Consumer Protection:**

Matters involving bankruptcy, debt and wage garnishments, tax issues, debt collections, and repossessions.

During 2017 Indiana's civil legal aid services closed 1,649 legal matters resulting in \$1,625,000 in immediate direct financial benefits and \$1,682,000 in long-term consequential financial benefits.

### **Other Community Issues:**

Matters involving varied areas such as education, employment, mental health and disabilities, immigration, wills and estates, powers of attorney and advance directives, criminal record expungements, licenses (including Specialized Driver's Licenses), civil rights, torts, civil rights, licenses, and other individual miscellaneous legal issues.

During 2017 Indiana's civil legal aid services closed 3,006 legal matters resulting in \$1,225,900 in immediate direct financial benefits and \$6,628,000 in long-term consequential financial benefits.

### **Government and Legal System Cost Savings:**

Cost savings to the community's government agencies and court systems provided through work reduction and increases in efficiencies from the legal aid and assistance services provided by Legal Aid.

During 2017 Indiana's civil legal aid organizations provided services and assistance in a total of 15,634 legal matters which reduced the services required by the court systems and other Indiana government agencies, resulting in \$2,523,000 in immediate direct financial savings for the court systems and other government operations.

*Note to these total values:*

*These are the consolidated values for all the participating legal aid organizations in Indiana. Not all services are provided by every organization.*

## SUMMARY OF SOCIAL RETURN ON INVESTMENT ANALYSIS VALUE

The net economic impact value resulting from Indiana Legal Aid activities during the year totaled 96,487,000.

The direct immediate value of Legal Aid services is the fair market replacement cost value of those service (what it would cost the members of the community to replace the services if the Legal Aid organization did not exist, plus the actual dollar amount of legal settlements and court awards.

The long-term impacts of Legal Aid services are the consequential financial impacts to the community resulting from the outcomes of the legal aid services. These consequential benefits include savings in community supports costs, reductions in community medical care expenses, additional community income and taxation revenues from benefit programs, savings in housing and support costs for homeless families, and savings in community law enforcement, court systems, and other government agency costs.

The total tax-based funding investment for civil legal aid services totaled \$14,411,182.

The total Net Social Return on Investment for Indiana's Legal Aid legal services programs during the 2017 fiscal year was: **670%**.

**For Every \$1 invested in Indiana's civil legal aid services, they deliver \$6.70 in immediate and long-term consequential financial benefits.**